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March 8, 2013

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## **BY ECFS**

Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, S.W. Room TW-A325 Washington, DC 20554

Re: Applications of Deutsche Telekom AG, T-Mobile USA, Inc., and MetroPCS Communications, Inc. for Consent to Transfer Control of Licenses and Authorizations, WT Docket No. 12-301

Dear Ms. Dortch:

Today, Tom Sugrue, Kathleen Ham and Marie Sylla of T-Mobile USA, Inc. ("T-Mobile USA"), their undersigned counsel, and Carl Northrop, counsel for MetroPCS Communications, Inc. ("MetroPCS") met with Commissioner Mignon Clyburn and Louis Peraertz, Legal Advisor to Commissioner Clyburn, regarding the above-captioned matter. The representatives of T-Mobile USA and MetroPCS reviewed the public interest benefits of the deal—particularly the benefits to MetroPCS customers—as discussed in the Applicants' Public Interest Statement for the proposed transaction. They also reviewed that the proposed transaction would not result in competitive harms at either the national or local level, also as discussed in the Public Interest Statement. The representatives additionally reviewed the substance of their March 7, 2013 written *ex parte* communication responding to various jobs-related concerns raised by the Communications Workers of America. The representatives are communications.

Applications of Deutsche Telekom AG, T-Mobile USA, Inc., and MetroPCS Communications, Inc. for Consent to Assign or Transfer Control of Licenses and Authorizations, WT Docket No. 12-301, Lead File No. No. 0005446627, Exhibit 1, Description of Transaction, Public Interest Showing, and Related Demonstrations at 7-44 (filed Oct. 18, 2012).

<sup>&</sup>lt;sup>2</sup> *Id.* at 49-55.

<sup>&</sup>lt;sup>3</sup> Letter from Nancy Victory, Counsel for Deutsche Telekom AG and T-Mobile USA, Inc. and Carl Northrop, Counsel for MetroPCS Communications, Inc. to Marlene Dortch, Secretary, Federal Communications Commission, WT Docket No. 12-301 at 1 (filed March 7, 2013).



Marlene H. Dortch, Secretary March 8, 2013 Page 2

In this regard, the attached documents were provided to the Commissioner and Mr. Peraertz.

Should any questions arise regarding this filing, please contact the undersigned counsel for Deutsche Telekom AG and T-Mobile USA.

Best regards,

/s/ Nancy J. Victory

Nancy J. Victory

cc: Best Copy and Printing

David Hu Kathy Harris Kate Matraves David Krech Jim Bird

Commissioner Mignon Clyburn

Louis Peraertz



### FOR IMMEDIATE RELEASE

March 8, 2013

# **Statement on Ex Parte Filing at FCC**

"Today T-Mobile filed a response with the FCC rebutting CWA's mischaracterizations of the impact our pending merger with MetroPCS will have on jobs. We continue to demonstrate that the combination of T-Mobile USA and MetroPCS will create a stronger company with the goal of emerging as the country's leading value carrier, providing much needed competition against the larger established players in the wireless business.

In particular, we have repeatedly stated and reiterated that we have no plans to move call centers offshore or to reduce employment levels at those call centers. Over the last six months, T-Mobile has hired more than 3,600 employees in our 17 domestic call centers and we plan to continue hiring in those call centers, increasing the number of overall U.S. positions, to support our customers. Moreover, the synergies model we have shared with the FCC assumes no reductions in retail stores or retail store positions. Indeed, our plans post-merger are to keep the two brands as separate lines of business and to maintain the two distribution networks of retail stores and dealer franchisees.

Our transaction is good not only for competition in the wireless market, but also for growing American jobs in the combined company. For these reasons, and many more, we believe our transaction is in the public interest."

T-Mobile USA

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Winner of Nine Pulitzer Prizes

# **Business / Technology**

Originally published March 6, 2013 at 9:42 PM | Page modified March 7, 2013 at 6:24 AM

# T-Mobile cutting jobs at Bellevue headquarters before merger

Layoffs could top 100, insiders say, as the wireless company prepares to unite with Dallas-based MetroPCS.

By Brier Dudley

Seattle Times senior technology reporter

A significant round of layoffs is happening at the Bellevue headquarters of T-Mobile USA just ahead of its merger with MetroPCS, according to people inside the company.

Employees are expecting the cuts to happen Thursday, when conference rooms at the company are reserved for "integration" meetings. The cuts may affect more than 100 people in marketing and other groups.

T-Mobile did not immediately comment Wednesday evening.

If the merger goes through as expected later this year, T-Mobile will become a publicly listed company and is expected to accelerate its rollout of a more advanced network. It's already one of the largest employers in the Northwest with about 4,800 employees locally — most in the Factoria-area headquarters — and 36,000 nationally.

T-Mobile hasn't specified how many jobs would be affected by its merger with Dallas-based MetroPCS, but the combined company would have overlapping administrative positions.

The likelihood of major layoffs has drawn political pressure from a telecommunications union, which is calling for job protections to be a condition of the merger's regulatory approval.

T-Mobile has steadily reduced the size of its workforce in recent years through restructuring and consolidation of its call centers, but largely has spared the Bellevue headquarters, where its highest-paid jobs are located.

Last year, at least 4,200 jobs were cut, including 3,300 layoffs at call centers announced that March. In May, the company announced 900 jobs were cut in another round of layoffs across the company, but it said it was likely to hire at least that many later in the year, as it built up its business-sales group.

T-Mobile similarly has argued during the merger process that overall employment will benefit from having the stronger company that the merger would create.

Consolidation is inevitable in the wireless industry, with smaller players bulking up to better compete against market leaders AT&T and Verizon Wireless. Such thinking led to Tokyo-based Softbank investing in third-place Sprint last year and AT&T's failed attempt to acquire T-Mobile in 2011.

T-Mobile is the country's fourth-largest carrier, with 33 million subscribers. The merger with MetroPCS is intended to give the combined company the resources to challenge Sprint for third place and better compete with AT&T and Verizon.

The deal will also accelerate T-Mobile's effort to provide 4G LTE wireless service across the country.

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MetroPCS already provides LTE, and T-Mobile hopes its LTE service will reach 100 million potential customers in July and 200 million by the end of the year.

Simultaneously, T-Mobile is trying to rebuild its stand-alone business after declines recorded as the company came under some uncertainty when AT&T tried to buy it in 2011. That \$39 billion proposed merger was withdrawn after federal officials moved to block it.

Last month, T-Mobile reported seeing growth, but fourth-quarter sales fell 5 percent from the same period the previous year.

Layoffs after a tough quarter during a period of transformation aren't unusual.

T-Mobile also may be trimming down to prepare to go public and woo investors who will analyze its operating expenses.

But given the pressure to preserve jobs during the MetroPCS merger, some may see this week's layoffs as an attempt to reduce head count before potential mandates from Washington, D.C.

Last week, a coalition in Congress asked the Federal Communications Commission to place conditions on the merger, requiring the company to preserve jobs. FCC approval is needed to complete the merger.

Similar requests to the FCC have been made by the Communications Workers of America (CWA), which is warning that "large numbers of job losses" could result from the merger.

T-Mobile is objecting to the calls for job protections, saying it's an unfair requirement and that its objective is to build a more competitive network and not save money through layoffs.

"Indeed, the goal of the transaction is to grow the existing T-Mobile and MetroPCS brands and businesses and emerge as the country's leading value provider," lawyers for the companies said in a Feb. 21 filing with the FCC.

CWA spokesman Al Kogler, at the union's regional office in Colorado, said administrative and managerial jobs at T-Mobile's headquarters are "not the ones that are really on our radar." The union is more focused on workers at call centers, stores and support positions, particularly because MetroPCS has favored outsourcing, he said.

Kogler said T-Mobile Chief Executive John Legere told employees of a hiring freeze a few weeks ago, in preparation for the merger.

Brier Dudley: 206-515-5678 or bdudley@seattletimes.com

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T-Mobile is hiring in Charleston! T-Mobile's Customer Care Center in Charleston, SC plans to hire approximately 50 full-time Customer Service and Sales Representatives over the next couple months.

To fill these important positions, T-Mobile is holding an Open House on **Monday March 11**<sup>th</sup>, **2013**. Applicants are encouraged to attend the hiring event between the hours of 1:00pm-6:00pm during the session; applicants will receive information on the application and assessment process, an overview of benefits, take a tour of the awesome facility and have the opportunity to take the assessment/testing onsite immediately following presentations.

When: Monday, March 11<sup>th</sup>
 1:00 pm – 6:00 pm

Where: T-Mobile Charleston Call Center (Daniel Island)
 185 Fairchild Street

Charleston, SC 29492

- Benefits of working at T-Mobile: T-Mobile has a history of winning "Best Place to Work" awards, and offers a workplace environment with a values and performance-based foundation focused on customer satisfaction. Employees receive a comprehensive benefits package, including medical, dental, vision, 401(k) matching, generous paid time off programs, mobile phone service discounts, tuition reimbursement, and much much more.
- **Compensation:** Starting pay range is \$11.73 \$13.94 based on verifiable customer service experience, with the potential for monthly performance incentives.

For more information about this hiring event or job qualifications, please visit T-Mobile's career site, <u>here</u>, and let me know if you have any questions.

\*\*Applicants are urged to complete their application and assessment prior to attending the hiring event to minimize wait time. Many interviews may be conducted on site applicants are encouraged to dress for success and bring 2 copies of their resume.

# RECENT HIRING EVENTS AT T-MOBILE CALL CENTERS

- Springfield, MO (5/24/12)
- Salem, OR (6/6/12)
- Bellingham, WA (7/6/12)
- Wichita, KS (7/9/12) –
- Springfield, MO (7/16/12)
- Albuquerque, NM (7/16/12)
- Salem, OR (8/1/12)
- Chattanooga, TN (8/8/12)
- Colorado Springs, CO (9/5)
- Augusta, GA (9/12/12)
- Oakland, ME (9/13/12)
- Salem, OR (9/25/12)
- Birmingham, AL (10/4/12)
- Springfield, MO (10/17/12)
- Mission, TX (10/18/12)
- Tampa, FL (11/8/12)
- Meridian, Idaho (11/14/12) ( at the local Depart of Labor office in Boise)
- Albuquerque, NM (12/12/12)
- Salem, OR (1/9/13)
- Colorado Springs (2/13/13)

# WHAT KEEPS AT&T UP AT NIGHT? APPARENTLY US.

If you've seen AT&T's recent ads, someone is obviously worried. With T-Mobile® turning up the heat, they apparently feel the need to take cheap shots at our network. Well, don't take AT&T's word for it, or ours for that matter. See the facts about T-Mobile's 4G network for yourself at t-mobile.com/coverage.

